

1 Lawrence R. Ream, WSBA #18159  
Richard G. Birinyi, WSBA #9212  
2 Bullivant Houser Bailey PC  
1601 Fifth Avenue, Suite 2300  
3 Seattle, WA 98101-1618  
Telephone: (206) 292-8930  
4 Facsimile: (206) 386-5130

Hon. Philip H. Brandt  
Chapter: 11  
Location: Seattle  
Hearing Date: January 13, 2005  
Hearing Time: 9:30 a.m.  
Response Date: January 7, 2005

5 Attorneys for Debtor Onename Corporation  
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8 **UNITED STATES BANKRUPTCY COURT**  
9 **FOR THE WESTERN DISTRICT OF WASHINGTON**  
**AT SEATTLE**

10 In re:

No.: 03-22581

11 ONENAME CORPORATION,  
12 Debtor.

ORDER AUTHORIZING DEBTOR TO  
ENTER INTO PREMIUM FINANCING  
AGREEMENT WITH PREMIUM  
FINANCING SPECIALISTS, INC.

13 THIS MATTER came before the Court for hearing on Debtor's Motion Pursuant to  
14 11 U.S.C. § 364(c) for Authority to Enter into Insurance Premium Finance Agreement with  
15 Premium Financing Specialists, Inc. (the "Motion"), to which was attached the proposed  
16 Premium Finance Agreement (the "Agreement") between the Debtor and Premium Financing  
17 Specialists, Inc. ("PFS"). The Court having found that the Debtor is unable to pay for the  
18 insurance coverage to which the Agreement pertains in the ordinary course of business under  
19 11 U.S.C. § 364(a) and has been unable, after reasonable effort, to obtain unsecured debt to  
20 pay for such coverage under 11 U.S.C. § 364(b), and that PFS proposes to extend financing  
21 to the Debtor pursuant to the Agreement in good faith within the meaning of 11 U.S.C.  
22 § 364(e), and other good cause appearing therefore, it is thereby

23 ORDERED that

24 1. The Motion is granted and the Debtor is hereby authorized to enter into the  
25 Agreement, a copy of which is attached to the Motion as Exhibit "A".  
26

1           2. The Debtor, having already paid PFS the initial down payment in the amount of  
2 \$16,779.80 pursuant to the Stipulated Order Preliminarily Authorizing the Premium Finance  
3 Agreement, is hereby authorized and directed to pay PFS monthly payments of \$5,044.68 per  
4 month for 9 months as required by the Agreement.

5           3. The Debtor is hereby authorized and directed to grant to PFS liens and security  
6 interests, and such liens and security interests are hereby granted, in (a) the unearned or  
7 return premiums and dividends which may become payable under the insurance policies  
8 identified in the Agreement, pursuant to 11 U.S.C. § 364(c)(2), and (b) loss payments which  
9 reduce the unearned premiums, subject to any loss payee interests, pursuant to 11 U.S.C.  
10 § 364(c)(2). (Collectively, the unearned or returned premiums and dividends and the loss  
11 payments are referred to hereinafter as the "Collateral".) The liens and security interests of  
12 PFS shall at all times be senior to the rights of the estate in this or any subsequent proceeding  
13 under the Bankruptcy Code and to the rights of any other person or entity claiming a security  
14 interest in the Collateral, except, with respect to any loss payments which reduce the  
15 unearned premiums, the rights of any loss payees.

16           4. PFS' liens and security interests in the Collateral are and for all purposes shall be  
17 deemed to be duly perfected, and no notice, filing, recordation or other act in accordance  
18 with any applicable local, state, federal or common law statute, rule or regulation shall be  
19 necessary to create, perfect or enforce such liens and security interests.

20           5. The full rights of PFS pursuant to the Agreement and controlling state law are  
21 fully preserved and protected and shall remain unimpaired by the pendency of this or any  
22 subsequent proceeding under the Bankruptcy Code.

23           6. In the event that the Debtor defaults upon any of the terms of the Agreement and  
24 does not cure such default as and within the time period provided therein, PFS may, without  
25 moving for relief from the automatic stay of 11 U.S.C. § 362 and without further order of this  
26 Court, exercise such rights as it would have under state law but for the pendency of this

1 proceeding, cancel all insurance policies identified in the Agreement or any amendment  
2 thereto, and receive and apply to the Debtor's account all unearned or return insurance  
3 premiums or dividends, and, subject to the interests of any loss payees, all loss payments  
4 which reduce such unearned premiums.

5 7. In the event that, after such application, any sums still remain due to PFS pursuant  
6 to the Agreement, such deficiency shall, pursuant to 11 U.S.C. § 362(c)(1), be deemed an  
7 administrative expense of the estate with priority over any and all administrative expenses of  
8 the kind specified in 11 U.S.C. §§ 503(b) or 507(b).

9 DATED this \_\_\_\_\_ day of January, 2005.

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11 \_\_\_\_\_  
12 Philip H. Brandt  
13 United States Bankruptcy Court Judge

14 Presented by:

15 BULLIVANT HOUSER BAILEY PC

16 By \_\_\_\_\_ /s/ Lawrence R. Ream  
17 Lawrence R. Ream, WSBA #18159  
18 Attorney for Debtor

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